CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139 www.miamibeachfl.gov



Date: May 21, 2003

COMMISSION MEMORANDUM

To:

Mayor David Dermer and

Members of the City Commission

From:

Jorge M. Gonzalez
City Manager

Subject:

REQUEST FOR APPROVAL TO RESCIND THE CONTRACT AWARD TO ROMANO BROTHERS CONSTRUCTION, INC., AND REJECT ALL BIDS RECEIVED PURSUANT TO BID NO. 27-02/03 FOR THE ADA AND PUBLIC INTERIOR DESIGN ENHANCEMENT RENOVATIONS FOR THE MIAMI BEACH JACKIE GLEASON

THEATER OF THE PERFORMING ARTS.

ADMINISTRATION RECOMMENDATION

Rescind the contract with Romano Brothers and reject all bids.

ANALYSIS

On March 3, 2003, Invitation to Bid No. 27-02/03 (the "Bid") was issued for the Jackie Gleason Theater of the Performing Arts ADA and Public Interior Design Enhancement Renovations.

As part of the pre-bid process, site inspections were held on March 18, 2003, March 20, 2003, and April 11, 2003. The purpose of the site inspections was to ensure that all interested contractors had an understanding of the existing site conditions and the work contemplated in the plans (i.e. drawings) and specifications (i.e. statement of work). The work specified in the Bid is attached and labeled Attachment No. 1.

Invitation to bid notices were sent to 2,050 individuals/contractors/vendors, which resulted in 67 contractors requesting bid packages, and the receipt of 10 bids. The tabulation of bids received are attached and labeled Attachment No. 2.

On April 30, 2003, the Mayor and City Commission awarded a contract to Romano Brothers Construction, Inc. ("Romano Brothers") as the lowest and best bidder. Romano Brothers was contacted immediately and informed that the City Commission had awarded a contract to them, and that they had 10 days to provide the City with executed payment and performance bonds, and the proper insurance certificate naming the City as additional insured.

On May 5, 2003, Romano Brothers informed the Procurement Division that they may have erred in their bid pricing, and were in the process of determining if they could perform the work at their bid price.

Agenda Item R2A

Date 5-2/-02

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On May 7, 2003, a meeting was held with representatives from the Capital Improvements Office (CIP), Procurement Division, SKLARchitecture (City's Consultant), URS (City's Program Manager), and Romano Brothers. At said meeting, Mr. James Romano, Owner of Romano Brothers, stated that his cost estimator has discovered errors in their calculations, and that the actual cost of this project is much higher than their bid offer (by several thousands of dollars). Therefore, Romano Brothers will not be able to perform the work at their bid price.

The Romano Brothers decision not to honor their bid submission prompted further review of the various submissions received and the invitation to bid. The review has revealed irregularities between the first and third bidders' submissions that will be further investigated to determine if other action on the City's part is warranted. The irregularities preclude an award to either of the parties involved. Further disclosure of the irregularities pending the investigation is not appropriate at this time.

Options for other bidders on the bid award are limited by virtue of the nature of the initiation to bid and the time frame in which the work needs to be completed. The bid was solicited on a lump sum basis, so dividing the work to expedite a portion of the scope to be completed on a timely basis is not available to the City. Such a change in the bid would require a rebidding of the project, which would make the timely construction of the project not possible.

Proceeding with other than the first and third bidders is also not an option under the lump sum approach to the bid as the contractor can not be engaged and in construction in a time which fits the City's schedule.

Time is of the essence. It is important that any major construction be substantially completed prior to the start of the Broadway, Ballet, and performing arts seasons, and before the MTV video/music Latino American Awards in October. If we are to be in construction this year, the City Commission must rescind the contract award to Romano Brothers, and reject all bids received. Otherwise, construction will not commence until a year from now.

The basis for rescinding the contract is the fact that the contract awardee, Romano Brothers, is not honoring its bid submission. And the basis for the rejection of all bids is two-fold: 1) there is insufficient time to complete the project if an award would to occur at the May 21 Commission meeting; and 2) the Bid process may be tainted as a result of collusion between the low and third low bidder.

Option for Timely Completion of the ADA Renovations and Public Interior Design Enhancements. The Administration has met with a Job Order Contractor (Carivon Construction) relative to completion of the ADA portion of the project, and it appears that utilizing the JOC system is a viable option for the completion of that portion of the

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work on time. Under the JOC system, pre-price construction contracts are already in place, with the necessary payment and performance bonds, and approved insurance certificates naming the City as additional insured. The Notice to Proceed to commence construction under the JOC system may be issued as early as June 13, 2003, after review and approval of contractor's cost proposal. In order to utilize the JOC process, the Bid Award to Romano Brothers will need to be rescinded and the remaining bids rejected at the May 21st City Commission Meeting.

As an alternative, staff also analyzed the option of rescinding the contract award to Romano Brothers and recommending that the City Commission at its May 21, 2003 meeting, award a contract to the next lowest and best bidder. The Administration determined that an award pursuant to this Bid would jeopardize the completion of critical ADA work elements based on the minimum number of days (minimum of 60) that it would take to process the appropriate contracts, payment and performance bonds, permits, various schedules and submittals, etc., required for the contractor to mobilize and commence construction, would result in the contractor not being able to commence construction until July 20, 2003.

The phases of work are as follows:

Phase I.

Substantially completed within 90 calendar days after Notice to Proceed (NTP); Final completion within 15 calendar days thereafter.

All Dressing Rooms and Associated Bathrooms	(ADA)
Patrons Lounge	(ADA)
Handicap lift	(ADA)
Backstage Restrooms	(ADA)
Box Office	(ADA)
Two Central Main Restrooms on First Floor	(ADA)

Phase II

Substantially completed within 150 calendar days after NTP, and final completion within 30 calendar days thereafter. The remainder of the work to be performed under Phase II includes the rest of the ADA portion of the work, and the entire Interiors portion of the work.

The estimate of minimum number of days (60) is based on the following:

*Minimum time from:

Award to issuance of First NTP 30 calendar days 6/20/03 Contractor submittal of required documents 15 calendar days

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Execution of Contract by City of Miami Beach

15 calendar days

First NTP to issuance of Second NTP

30 calendar days 7/20/03

Contractor submittal of required documents Review process by City of Miami Beach 21 calendar days 9 calendar days

* Process may be delayed depending on completeness of submissions received by the Contractor

Average time from:

Award to issuance of First NTP First NTP to issuance of Second NTP

60 calendar days 60 calendar days

CONCLUSION:

Based on the analysis, the City recommends that the City Commission adopt the attached resolution, which rescinds the contract award to Romano Brothers and rejects all bids received pursuant to Bid No. 27-02/03 for the ADA and Public Interior Design Enhancement Renovations for the Miami Beach Jackie Gleason Theater of the Performing Arts.

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ATTACHMENT NO. 1

SCOPE OF WORK

The scope of work consists of furnishing all materials, labor, equipment, supervision, mobilization, overhead & profit required to provide but not limited to the following:

1. Renovation of 24 restrooms broken down as follows:

8 women & 8 men public restrooms

- 1 women & 1 men employee restrooms
- 6 Dressing Room restrooms

The restrooms will be reconfigured, re-plumbed as required and be provided with new fixtures and new finishes resulting in improved ADA compliant toilet facilities.

- 2. Replacement of doors, frames & door Hardware, with improved ADA-compliant hardware.
- 3. Replacements of Handicap lift with new motorized lift.
- 4. Demolition of existing ramp and creation of a new exterior, ADA Ramp and associated structural work.
- 5. Removal of existing doors as noted on plan.
- 6. Lower the ticket window of the box offices to be ADA compliant.
- 7. New Strobe lights in janitor closets as noted in plans.
- 8. Dressing Rooms & Dressing room bathroom improvements.
- 9. Renovation of Lobby and entranceways including wall coverings, ceilings, and lighting.
- 10. New and renovated bars:
 - 5 New Bars First Floor
 - 3 Renovated bars First Floor
 - 4 New Bars Second Floor
 - 2 New Bars Third Floor
- 11. New Concierge Desk.
- 12. New Merchandise Counter.
- 13. Founders room renovations including:

New storefront doors. New A/C package unit. Renovated Bar. New Ceilings.

- 14. Box Office renovations including:
 - a. New media desk.

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ATTACHMENT NO. 1 SCOPE OF WORK CONTINUED

- b. New Brochure Rack
- c. New posters displays.
- d. Wall & Ceiling treatments.
- e. New Interior Storefront doors.
- 15. New hand & guard Railings.
- 16. New decorative lobby Curtains.
- 17. Electrical & lighting improvements.
- 18. New Plumbing to provide hot water.

The scope of work includes but is not limited to Concrete work, Concrete patching, Masonry, Stucco Steel Doors & frames, Access Doors, Plumbing, Toilet fixtures, Bathroom Accessories, Toilet compartments, terrazzo tile, carpet, Paint, Mirror, Marble work, Gypsum wall board, Metal work, Metal stud framing, Metal ceiling, Acoustical ceiling tile, Decorative Wall Finishes: Duroplex – textured acrylic coating, metallic paint, Heating, Ventilation & Air conditioning Ductwork replacement and rerouting, Fire Sprinkler Systems, Electrical Systems, Lighting, Life Safety & Fire Alarm features.

This bid is a lump sum bid but in addition there are Add/Deduct alternates which consisted of the following:

Alternate # 1 Add Balcony Extension Alternate # 2 Add Bar "L". Alternate #3 Deduct Waterless Urinals. Commission Memo ADA TOPA Rescind Award and Rejection of Bids May 21, 2003 Page 7 of 7

BID TABULATION

Bid 02-02/03 - ADA Renovations for the Miami Beach Convention Center

COMPANY	BASE	ALT. 1-3	GRAND TOTAL BID
Romano Brothers Construction, Inc.	\$1,512,463.80	\$71,513.73	\$1,583,977.50
Regosa Engineering, Inc.	\$1,690,000.00	\$12,600.00	\$1,702,600.00
IGWT Construction, Inc.	\$1,732,892.00	\$54,113.73	\$1,787,005.73
Tran Construction, Inc.	\$1,997,000.00	\$18,700.00	\$2,015,700.00
Cazo Construction, Inc.	\$2,254,700.00	\$31,000.00	\$2,285,700.00
Miami Skyline Construction Corp.	\$2,397,251.00	\$66,100.00	\$2,463,351.00
Landel Construction Corporation	\$2,707,710.00	\$132,650.00	\$2,840,360.00
SunCoast Contracting	\$2,867,984.00	\$85,381.00	\$2,953,365.00
Lear Associates, Inc.	\$2,985,947.00	\$54,200.00	\$3,040,147.00
StoreTech	\$3,749,375.00	\$67,312.00	\$3,816,687.00